'Unfair doctor reimbursement system has a solution in Congress' By Rep. Sam Farr and Rep. Lois Capps *The Tribune*, San Luis Obispo, Calif. September 9, 2007

As Congress returns to work after its August district work period, there are a number of important pieces of legislation on the docket.

One of the most important is the Children's Health and Medicare Protection Act (CHAMP).

We heard from many constituents over the past month who are passionate about keeping our children healthy. Our bill provides critical health care to low-income children whose parents either can't afford insurance or who hold jobs that lack health care benefits. It would cover tens of thousands of low-income children in San Luis Obispo and Monterey counties and more than 11 million kids across the country.

The bill would also stop the Bush administration's 10 percent cut in Medicare payments. This will protect seniors and the disabled who depend on Medicare by ensuring that they continue to have access to the doctors of their choice.

One particular provision that is very important to doctors on the Central Coast - and their patients - is one that would boost Medicare reimbursement payments to doctors.

The crux of the issue is that doctors in a handful of California counties are underpaid by Medicare for the services they provide because of a flawed, decades-old payment formula. The formula mislabels certain counties as "rural," even though their economies are distinctly urban. In some cases, doctors in one county are paid up to 25 percent lower than doctors in a neighboring county.

Even though the law states that counties should regularly be redesignated by Medicare, that

rule has been ignored. Several opportunities to correct this error were squandered in previous years under the Republican-led Congress. The delay in addressing this problem has made a solution more expensive and thus more difficult to fix.

Fortunately, the new Democratic-led Congress has made health care a top priority. By working closely with health care providers and patients in our communities, as well as advocacy groups such as the San Luis Obispo Medical Society and the California Medical Association, we were able to come up with legislation to start addressing this broken reimbursement formula. We introduced a bill earlier this year that would force Medicare to implement the rule, and language from that bill made it into the House version of the CHAMP bill.

The provision that we fought to include would force Medicare to redesignate counties so that payments are based on accurate, up-to-date information. Under our provision, doctors in both San Luis Obispo and Monterey counties would get increases in their Medicare payments that compensate for the approximate percentages by which those counties are currently underpaid. Also, their future payments would be based on updated geographic designations.

We've been working on this problem for a long time, and we're convinced that this is the best way to start addressing this unfair physician reimbursement system. We've tried other approaches, most recently seeking a federal designation for San Luis Obispo County as a health professional shortage area. Unfortunately, these alternatives have been rejected by the Bush administration.

Final passage of the CHAMP bill and the doctor payment fix isn't guaranteed. Senate Republicans are delaying the start of the conference committee that must resolve differences between the House and Senate bills, and the president has threatened to veto the bill because of his opposition to the child health care provisions. Given that almost all Republicans in the House voted against the bill, the president's veto threat has to be taken seriously.

After years of struggling with this serious physician payment problem, we're closer than ever to addressing it. It would be unfortunate to come so close and not realize success because of partisan politics. We're hopeful that the GOP and President Bush will agree that supporting our children, our seniors and our doctors is a necessary and right decision. Our kids, our doctors and their patients need this bill.